GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:1577
ANSWERED ON:07.08.2006
SUPPLY OF ETHANOL
Mohite Shri Subodh

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether chemical industry of Maharashtra and in other parts of the country is not getting adequate supply of ethanol for their use;

(b) if so, the reasons theref;

(c) whether Indian Chemical Manufacturers Asso ciation (ICMA) has been bringing the shortage of ethanol in the country to the notice of the Government from time to time;

(d) if so, the details thereof; and

(e) the measures taken/proposed to be taken by the Government to overcome the short supply?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS AND MINISTER OF THE STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI B.K. HANDIQUE) :

(a) to (e) The alcohol based chemical industry in Maharashtra as also in other parts of the country is facing shortage of ethanol on account of lower production of sugar in the major sugarcane producing States and increase in demand of the alcohol based industry. Further, the Gasohol programme of 5% blending of ethanol with petrol launched in some States/ UTs by the Ministry of Petroleum and Natural Gas has increased demand for ethanol. The Indian Chemical Manufacturers Association (ICMA) has written to the Government regarding shortage of ethanol in the country. The matter has been taken up with the Ministry of Petroleum and Natural Gas for retention of status quo with regard to blending of ethanol. Industrial Alcohol required for alcohol based industry is freely imported. The Department of Chemicals and Petrochemicals has also requested the Ministry of Finance (Department of Revenue) for reduction in the customs duty on industrial alcohol to enable the chemical industry to import industrial alcohol at a reasonable cost.